

The Kuril Islands Dispute: Towards Dual Sovereignty

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Introduction

During their brief informal summit in Krasnoyarsk in early November 1997, Russia's President Boris Yeltsin and Ryutaro Hashimoto, Japan's Prime Minister, agreed to strive towards concluding a Russo-Japanese peace treaty by the year 2000 – something that has been lacking since the end of the Second World War.

The Krasnoyarsk summit was preceded by a striking sequence of events symbolising a radically new pattern in the two formerly hostile countries' bilateral relationship. On 28 June 1997 for the first time in 103 years a Russian warship – the Pacific Fleet submarine hunter *Admiral Vinogradov* – paid an official visit to Japan calling at the Tokyo Bay.¹ According to the Russian Pacific Fleet press centre, the last official visit of a Russian naval ship to Japan took place “*exactly 110 years ago when at the end of June 1887 the crew of the Rynda corvette visited Tokyo.*” The *Admiral Vinogradov's* visit reciprocated the Japanese Maritime Self Defence Force destroyer *Kurama's* visit to Vladivostok in July 1996, the first time a Japanese warship had visited Russia in 71 years.²

It was while the *Admiral Vinogradov* was anchored in Tokyo Bay that Russian officials offered to organise the two countries' first ever joint naval exercises. On 31 October 1997, the Chief of the General Staff of the Russian Navy indicated that such joint exercises would be discussed during the Yeltsin-Hashimoto informal summit in Krasnoyarsk and could be implemented in 1998.³

Further, on 23 July 1997, for the first time since the end of the Second World War, two Japanese warships – namely the destroyers *Setogiri* and *Sawayuki* – passed safely through the Urup Channel between the islands of Shimushir and Urup belonging to the Kurile Islands chain *de facto* controlled by Russia. The Chief of Staff of Japan's Maritime SDF, Kazuya Natsukawa, commented that during the Cold War this would have been an “*unbelievable*” deed.⁴

Moreover, for the first time in history the two sides' defence ministries' top officials exchanged official visits as well: In April 1996 Japan's Director General of Defence Agency Hideo Usui visited Russia, while in May 1997 his Russian counterpart, Defence Minister Igor' Rodionov, paid a visit to Japan.⁵ Rodionov's positive appraisal of the new ‘guidelines’ regarding the US-Japan military alliance adopted in September 1997 surprised Japan's Ministry of Foreign Affairs (MOFA) officials to such an extent that some of them indicated that in terms of security, Russo-Japanese relations had “*turned 180 degrees*” as compared to the Cold War period.⁶ During the informal summit in Krasnoyarsk it was agreed that the Chairman of the Joint Staff Council of Japan's SDF and Russia's Chief of the General Staff of the Army would also exchange visits.⁷

Perhaps unsurprisingly this turn of events had an impact on the issue of the bilateral territorial dispute – commonly known as the ‘Kurils issue’ – concerning the sovereignty status of the islands of Habomais (‘Habomai’ in Russian), Shikotan (‘Shikotan’), Etorofu (‘Iturup’) and Kunashiri (‘Kunashir’).

Although looking less spectacular, the reciprocal bilateral activity applying to the Kurils dispute is just as significant as the exchanges in the military sphere. For example, from 30 September until 2 October Japan's Vice Foreign Minister Minoru Tamba visited the disputed island of Kunashiri.⁸ Since Japan considers the disputed islands to be her own territory, Japanese citizens are allowed to visit the islands only by means of the opportunities provided by the visa-free regime initiated in April 1991 through an accord with the Soviet Union.

While in the past such government officials as the heads of Japan's MOFA divisions had accompanied the visa-free delegations, it was the first time ever that a government official of Tamba's level had joined the tour.⁹ The visa-free exchange regime was bilaterally accepted as applying to Russian residents of the disputed islands and all Japanese

citizens. Nevertheless, the Japanese government during a cabinet meeting of 29 October 1991, resolved as a “*matter of understanding*” that the Japanese visitors should be limited to “*former residents of the Northern Territories, participants in the movement for the return of the Northern Territories and those representing mass media sources.*”

Thus, government officials were not expected to take part in the visa-free exchange, let alone Japan’s Vice Foreign Minister. The visa-free tours started in April 1992, initially involving 572 people in that year.¹⁰ Up to October 1997 the total number of visa-free visitors amounted to 4,200 people.¹¹

It is worth noting that Tamba’s visit to Kunashiri and in particular his meeting with Vladimir Zema, Head of Administration of Russia’s Sakhalin Region’s disputed ‘Southern Kuriles’ district, served to strengthen the separatist and pro-Japanese mood on the island and consequently weakened Yeltsin’s options during the summit. Thus, as early as 2 October 1997, Zema, apparently referring to the residents of the disputed area, declared: “*If a referendum regarding the fate of the [disputed] islands is held now, the result will be simple – to separate from Russia.*”¹² After the summit ended, yet another local leader, Chairman of the ‘Southern Kuriles’ district council Luk’yanov, declared that the ‘Northern Territories’ were Japan’s islands and expressed support for their return.¹³

To a significant extent, the foundations for the recent flexibility on both sides of the Russo-Japanese territorial dispute were laid by Primakov’s visit to Japan in November 1996. This article will review major features of that visit and draw the readers’ attention to a subsequent specific project authored by a team of experts from Russia’s Institute of World Economy and International Relations (IMEMO). This unique project sought to find a bilaterally acceptable compromise regarding the national sovereignty status of the disputed islands.¹⁴ Finally, the article will briefly appraise Primakov’s visit to Japan in November 1997 and offer concluding remarks.

Primakov’s November 1996 Visit to Japan

From 14-17 November 1996, Russian Foreign Minister (FM) Evgenii Primakov paid an official visit to Japan. His stay in Japan constituted part of the FM’s Asian tour which also included visits to China and Mongolia.¹⁵ Primakov defined the purpose of his Asian tour as “*confirmation of the*

priority of the eastern direction of Russia’s foreign policy”, along with those oriented towards the US and Western Europe.¹⁶ In addition, while discussing his Asian tour in the course of a press conference on 6 November, Primakov stressed that he intended to concentrate the efforts on “*protection of [Russia’s] national interests.*”¹⁷

On 13 November Aleksandr Panov, Russian Ambassador to Japan, in an interview given to the RIA press agency, pointed out three major goals of Primakov’s Japan visit: “*activation*” of a political dialogue, discussion of ways leading to expansion of bilateral economic ties, reaching out for new agreements on the “*basic issue*” of the bilateral territorial dispute.¹⁸ It is also reasonable to view Primakov’s Japan visit as part of a broader process of opinion exchanges on the occasion of the 40th anniversary of restoration of the USSR-Japan diplomatic ties in October 1956.

Discussion of the territorial dispute dominated the Primakov-Ikeda talks on 15 November. Primakov officially invited the Japanese side to consider a concept of ‘joint development’ of the disputed islands, not only admitting the fact of the territorial dispute’s existence but proposing a specific measure favouring its eventual resolution.¹⁹

After meeting Ikeda, Primakov proceeded to meet PM Hashimoto. Primakov delivered to Hashimoto a message from President Yeltsin, congratulating him on the formation of Hashimoto’s second cabinet and inviting him to pay an official visit to Russia in 1997. Yeltsin’s message did not specifically refer to the territorial dispute issue but did express a firm belief in the fact that “*both sides are moving in the direction of shaping the conditions serving the cause of reaching a mutually acceptable resolution of various problems.*”²⁰

In the course of the talks both Primakov and Ikeda confirmed the constructive significance and validity of the 1993 *Tokyo Declaration* which stipulates that both sides agree to continue negotiations “*on the issue of where [the commonly disputed] Etorofu, Kunashiri, Shikotan and Habomai islands belong...towards an early conclusion of a peace treaty through the solution of this issue.*”²¹

Primakov invited Ikeda to consider the concept of joint development in relation to the islands while referring to the necessity of a “*new stimulus*” directed towards the conclusion of a bilateral peace treaty. He stressed that his proposal was in need of

further elaboration and that he expected the Japanese side to react positively. Primakov promised to offer a specific project in case Japan demonstrated a constructive approach. The Russian FM referred to such areas of potential joint activity as fishing, production of marine products, creating adequate infrastructure for promotion of tourism, and improvement of transportation facilities. As an example to follow, Primakov pointed at the joint development schemes accepted by the UK and Argentina in the disputed Falkland Islands zone.²²

The Japanese side expressed positive interest in Primakov's proposal. Ikeda agreed to review the Russian project when it acquired concrete form. However, the Japanese side demanded explanations concerning the sovereignty issue and Russia's eventual goals.²³ Thus, Nakasone agreed to study Primakov's proposals only if Japan "suffers no damage in terms of its sovereign rights" over the disputed islands.²⁴ In his turn, Ikeda emphasised the necessity to conduct bilateral negotiations on the sovereignty issue and simultaneously create conditions conducive to the "return of the [disputed] territories."²⁵ Ikeda also spoke against "shelving" the sovereignty issue, which was offered by Primakov during his first press conference on 12 January 1996, as modelled after resolution of the Sino-Japanese disputes over the Senkaku/Diaoyu Islands.²⁶

Primakov refused to specify the expected time-frame for the resolution of the Kurils dispute.²⁷ As regards the sovereignty issue, Primakov considered it proper for both sides to retain their respective positions, proposing that no changes be made that would affect the *status quo*.²⁸ The Russian FM suggested that creating conditions conducive to a resolution of the territorial dispute had to precede negotiations on the sovereignty issue. Primakov pointed out, however, that the process of forming favourable conditions implied neither its being a substitute for the bilateral conflict resolution, nor the shelving of the territorial dispute issue.²⁹

According to reportedly high-ranking officials of the RF Foreign Ministry, this represented the very first time that Japan accepted a 'joint development' proposal from Russia rather than routinely declining to review it.³⁰ However, a number of grave obstacles served to prevent the Russian side from formulating the proposed project. National-patriotic and communist opposition to Yeltsin's regime in Russia promptly called Primakov's

admission of Japan's sovereign rights an "unwarranted concession."³¹

While the *Tokyo Declaration* allows both parties to the dispute to insist upon their sovereignty claims, the *Fundamental Principles of Russia's Frontier Policies*, a document approved by Yeltsin on 5 October 1996, stipulates that "the state frontier of Russia coinciding with that of the former USSR is inviolable" and consequently rejects any territorial claims directed against Russia from her neighbouring states.³² Finding it hard to reconcile both legal documents, a press attaché of Japan's Embassy in Moscow promptly declared that Tokyo insisted upon the fact that the national frontier between Russia and Japan remained unsettled.³³ Adding to the resulting confusion, a press representative of the Russian Foreign Ministry stated on 10 October 1996, that there were no legal contradictions between both documents.³⁴ Ironically, in the wake of the signing of the October 1993 *Tokyo Declaration*, the LDP, then temporarily an opposition party, expressed – along with none other than the Japanese Communist Party (JCP) – a sharp criticism of the document as supporting Yeltsin's regime right after the latter had resorted to violent suppression of the parliament in Moscow.³⁵

Yet another major threat to progress – as in the case of the Russo-Chinese border agreements – was represented by subnational interventionists.³⁶ Thus, on 26 November 1996, Viktor Ishaev, Governor of the RF Khabarovsk Territory, made it clear that the consent of the Russian side to discuss prospects of joint development of disputable territories was causing surprise and alarm among the residents of Russia's Far East.³⁷ The Governor, who in December 1996 was re-elected by popular vote and is therefore set to remain in office until the year 2001, stressed: "There are no disputable islands, there is Russian land."³⁸

Considering the fierce 'centre-periphery' tensions which exist in Russia, Primakov's pressing Japan's 'centre' for conciliation in the bilateral 'Kurils issue' might also be viewed as an attempt to widen federal control over Russian Far Eastern provinces and thus improve monitoring Japan's interaction with the Russian 'periphery'.³⁹

In the course of the Primakov-Ikeda talks, agreements were reached on 'activation' of the bilateral negotiations concerned with issues pertaining to fishing in disputed areas and on further growth of visa-free travel between both

countries.⁴⁰ Also, Japan announced that it would unfreeze a US\$500 million credit in favour of Russia.⁴¹ It is worth noting that the new political environment was rooted in the formation of Russia's 'deideologised' post-Soviet foreign policy, which prompted an unprecedented response on the part of Japan's MOFA whose officials remarked, referring to Primakov's visit, that "*differences in opinions [between Japan and Russia as regards international affairs] almost disappeared.*"⁴²

The unprecedented reciprocal response of Japan's side to Primakov's proposal left Primakov with the task of filling his joint economic activity offer with specific substance. It was only too obvious, however, that what concerned the Japanese side most was the highly sensitive issue of sovereignty. In June 1997 the Russian side still seemed unprepared to tackle this issue adequately. Thus, on 10 June 1997, Russia's first Vice-Premier Boris Nemtsov, speaking at the press-conference held in Tokyo during his official visit to Japan, indicated that the issue of joint economic activities on the disputed Southern Kurils and the problem of national sovereignty over them were "*two different things.*"⁴³ He specified that by joint economic activities the Russian side meant the "*creation in the South Kuriles of joint ventures or the activity of Japanese enterprises with 100 percent capital investment.*" Further, Nemtsov noted that "*on the other hand, the granting to Japanese investors of special tax preferences or creation of other favourable conditions is possible.*"⁴⁴

Moreover, on 20 June 1997, before the scheduled meeting of Yeltsin and Hashimoto in Denver, USA, in the course of the G-7 summit, the Russian President's press secretary, Sergei Yastrzhembsky, noted at a briefing that the question of the disputed territories "*will be considered on a plane of joint economic activity in the development of the natural riches of the South Kuriles.*"⁴⁵ Yastrzhembsky also pointed out that Russia's attitude to the territorial issue "*has not undergone any change since the first [October 1993] visit of the Russian President to Tokyo*", when Yeltsin proposed setting this problem aside and "*focusing attention on the drawing closer together of our states in the economic, regional and financial fields.*" The press secretary indicated that the degree of such a cooperation would correspond to the level of mutual understanding on the Northern Territories issue.⁴⁶

This sequence of statements could not but distress Japan's MOFA. The scope of Japan's vulnerability as it applies the sovereignty issue is well illustrated by the analysis of Professor Hiroshi Kimura, one of Japan's major experts as well as opinion leaders on the Kuriles dispute. Discussing the effect upon the Russo-Japanese territorial dispute of the Russo-Chinese accord regarding the eastern border demarcation signed in November 1997, Kimura mentions as a "*negative precedent*" the fact that the Russian side proposed a plan of joint Russo-Chinese economic activity on a number of disputed islands, but the decision on their sovereignty was postponed indefinitely by both sides. Specifically, he pointed out the negative effect as far as the Kuriles were concerned in case the Russian side "*offers a concrete joint development proposal with the sovereignty issue still unclear.*"⁴⁷

Zaitsev's Project

The Russian side did, however, attempt to resolve the sovereignty dilemma. After the November 1996 Primakov-Ikeda talks had ended, Russia's MOFA entrusted a team of IMEMO experts headed by Professor Valeriy Zaitsev, its Vice-Director and concurrently Chief of the Japan Section, to tackle the problem. The result was summarised in a paper entitled *Possibilities of the Joint Russo-Japanese Development of the Southern Kuriles Islands* and delivered to Russia's MOFA in October 1997 on the eve of the Yeltsin-Hashimoto summit.

The paper was initially prepared for presentation at the international symposium *The Sakhalin Region—Japan: Problems and Prospects of Cooperation* which was held in Sakhalin Region's administrative centre, Yuzhno-Sakhalinsk, on 9-10 October 1997. Zaitsev was not given an opportunity to present his paper at the conference, and it has not been published. However, it is a significant document which requires careful examination.

As this author views it, in making his proposal Zaitsev relied upon four major sets of ideas which served to produce the resulting project. Firstly, he singled out the fact that during Primakov's Japan visit in November 1996 the Japanese side "*for the first time agreed to consider the possibility of a joint development of the four disputed Southern Kuriles' islands.*"

Secondly, Zaitsev deemed it wrong to assess Japan's reciprocal attitude as "*preparedness for a principally new approach to the territorial problem.*" Specifically, he assumed that Japan

viewed Primakov's proposal as a time-consuming, yet practical and reasonably realistic "means of coming nearer to gaining sovereignty over the islands."

Thirdly, Japan's aspirations considered, Zaitsev believed that the "practical discussion" of the joint development proposal did not sufficiently relate to the economic validity of specific projects, but primarily implied concentrating on the issues pertaining to the "legal basis of Japanese economic activity on the islands."

Finally, in view of the fact that Japan remained opposed to "any variants which however indirectly imply Russian sovereignty", Zaitsev concluded that "in order to realistically secure the joint Russo-Japanese development of the Southern Kuriles", not only Japan but Russia as well had to "principally" change the approach to the territorial problem. Specifically, Zaitsev suggested that for Japan "such a project might look realistic only if the four islands gain a special administrative status on a legal basis that would allow Tokyo not to compromise its principal position of not recognising Russian sovereignty over the disputed islands." Later, during the interview with Japan's national TV, Zaitsev vaguely referred to the concept of dual sovereignty as applying to his proposal.⁴⁸

Consequently, referring to the Joint Soviet-Japanese Communiqué of April 1991 and the *Tokyo Declaration* of 1993, both of which admit the existence of the specified territorial dispute, and identifying them as the sufficient "major legal basis", Zaitsev suggests that both "Russia and Japan agree to grant a special administrative status to these islands for the period of time lasting until the final settlement of the territorial dispute."

Zaitsev's project singles out four "parameters" of the islands' special administrative status which comprise the bare "minimum acceptable for the Japanese side, allowing it to really begin to discuss concrete economic projects."

Zaitsev's proposal rests primarily upon the condition that the "territory of the four islands is removed from the existing framework of the administrative division of the Russian Federation (RF) and functions as a special region, based upon the principles of local self-government and controlled directly by the administration of the President of the RF."

Further, Zaitsev suggests the retention of the visa-free exchange regime involving Russian residents of the Southern Kuriles and Japanese nationals. He suggests, thirdly, that "on the whole" activities of Russian nationals residing on the islands should be regulated by the Russian legal code. As for the "economic activities of non-Russian juridical and physical persons", Zaitsev proposes the formation of a special legal basis worked out jointly by the Russian and Japanese administrative authorities. According to Zaitsev, control over observance of the newly formed legislature must be delegated to local authorities and the specially appointed representatives of the administration of the RF President and Japan's district of Hokkaido. Zaitsev proposed the resolution of disagreements through the agency of a "conciliatory commission" representing "all the three sides." It is worth indicating that in Japan the district of Hokkaido is designated to incorporate the disputed islands under its administrative control.

Finally, Zaitsev mentions that "taxes or any other budget income" raised from foreign and "joint juridical persons" should be transferred into budget funds of the "special region" and should be used only for purposes pertaining to "the goals of social and economic development of this territory."

According to Zaitsev, he was assigned to prepare his project by Russia's MOFA in spring 1997.⁴⁹ It is quite plausible, however, that Zaitsev, to a certain extent, acted on behalf of the Japanese side as well.⁵⁰ In Japan Zaitsev is known as one of "the most well-disposed to Japan" of Russian experts on Japanese affairs.⁵¹ For example, on the eve of the USSR President Mikhail Gorbachev's April 1991 visit to Japan Zaitsev appealed for the "unconditional return of the Habomais and Shikotan islands" to Japan.⁵²

In Russia Zaitsev's project proved to be most unpopular. On 30 October 1997, a group of the State Duma (parliament's Lower House) deputies proposed a declaration entitled *To secure [the] territorial integrity of Russia!* Referring to Zaitsev's project, the deputies blamed IMEMO for preparing on the assignment of Russia's MOFA of a project which caused direct damage to Russia's sovereignty over her own land.⁵³ An even more furious protest was demonstrated by the Sakhalin Region authorities which refused to allow Zaitsev to present his paper at the Russo-Japanese symposium in early October 1997.⁵⁴

Appearing on Sakhalin TV on 31 October 1997, the Sakhalin Region Governor Igor' Farkhutdinov suggested in reference to the joint development concept cooperation with Japan without imposing any changes in terms of sovereignty over the Southern Kuriles. The Governor expressed his strong protest against Japan's territorial claims, stressing Russia's prior discovery and exploration of the Kuriles.⁵⁵ Indeed, two days earlier, the Russian government issued a directive accepting a proposal of the Sakhalin Region Governor regarding "*celebrations in November 1997 of the 300th anniversary of the discovery of the Kurile islands by the Russian people.*"⁵⁶

On the other hand, in late October 1997 Vladimir Zema, Head of Administration of the Sakhalin Region Southern Kuriles district, conveyed his support for the establishment of the joint administration of the disputed islands, by the governments of Japan and Russia, the Sakhalin Region, Japan's Hokkaido District and, finally, the Southern Kuriles district. However, Zema indicated that the territorial problem was "*complicated*" and "*required a long time*" for resolution.⁵⁷

Primakov's November 1997 Visit to Japan

Disturbed as Zaitsev was by the Sakhalin administration's negative reaction, he nevertheless expressed his determination to deliver his project by early November to Russia's MOFA. Zaitsev wished to have his project reviewed before the Yeltsin-Hashimoto summit started.⁵⁸ However, on 30 October 1997, when the Duma deputies' group issued the declaration in defence of Russia's territorial integrity, it was reported that Russia's vice-FM Gregory Karasin sent a letter addressed to the Sakhalin Region Governor Igor' Farkhutdinov, indicating that the MOFA was not supporting the proposal of establishing direct Presidential rule on the disputed islands. Specifically, Karasin stressed that the IMEMO's project exclusively conveyed the views of its authors and was not a result of prior consultations with the MOFA. Moreover, in his letter Karasin reportedly described the project as lacking "*a single trace of rationality.*"⁵⁹

Nonetheless, on 23 October 1997, head of Information Service of Russia's MOFA Tarasov stated that the issue of joint economic activities on the disputed islands proposed by Primakov in November 1996 would "*certainly*" be placed on the agenda of Primakov's November 1997 visit to Japan.⁶⁰ On the very eve of Primakov's official

meeting with Japan's FM Obuchi it was reported that there was a "*high probability*" of the joint development project's becoming a matter of discussions.⁶¹ Yet in an interview for Japan's newspaper *Mainichi* on 28 October 1997, Russia's Ambassador Panov related that a concrete proposal regarding Primakov's joint development project would not be offered until a compromise agreement between Russia and Japan on the issue of fishing off the coast of the disputed territories is reached.⁶²

Primakov's official visit to Japan in November 1997 lasted four days, with the negotiations taking place on 13 November.⁶³ On 23 October 1997 Tarasov had indicated that the main purpose of Primakov's visit was to provide a "*concrete shape in the course of consultations*" for the agreements reached in the course of the Yeltsin-Hashimoto informal summit in Krasnoyarsk.⁶⁴ In the course of his meeting with PM Hashimoto in Tokyo on 13 November 1997 Primakov, in particular, denied as "*inconsistent with reality*" the mass media reports which indicated that Russia's MOFA was against the Krasnoyarsk summit agreements.⁶⁵

The only document agreed upon by both leaders in Krasnoyarsk was the so-called *Yeltsin-Hashimoto Plan*. It contained neither references to the as yet missing bilateral peace treaty, nor anything at all on the territorial issue. This plan consists of six items, all of which are exclusively related to economic cooperation. Moreover, some of the most important relevant issues discussed during the summit were not included in the plan.⁶⁶ During their talks on 13 November 1997 Primakov and Obuchi agreed on the need to put the Yeltsin-Hashimoto plan into effect as soon as possible.⁶⁷

During their informal summit in early November 1997 Yeltsin and Hashimoto reached the so-called *Krasnoyarsk Accord* to do the utmost in striving to conclude a peace treaty by the year 2000 based upon the principles of the 1993 *Tokyo Declaration*.⁶⁸ Yeltsin and Hashimoto reportedly argued whether or not to set the time-frame at all. Eventually, Yeltsin yielded to Hashimoto's pressure and agreed to accept the 'year 2000' deadline.⁶⁹ However, speaking at the press conference in Krasnoyarsk, Russia's First Vice Prime Minister Boris Nemtsov, who accompanied Yeltsin on his trip, made it clear that the agreement on signing a bilateral peace treaty did not necessarily imply resolution of the territorial dispute. He specifically referred to Article 4 of Russia's Constitution which

proclaims the principle of Russia's territorial integrity.⁷⁰

On 13 November 1997, Primakov and Obuchi confirmed the validity of the *Krasnoyarsk Accord* and agreed upon the upgrading of bilateral negotiations on the peace treaty issue. Specifically, the foreign ministers of both countries were designated to preside over the activity of the bilateral peace treaty working group formed in 1988. The latter group holds meetings at the vice-foreign ministers' level once or twice a year in Moscow and Tokyo, but with little success to date. While the vice-foreign ministers are expected to continue their work as usual, the involvement of foreign ministers is supposed to speed up the negotiating process.⁷¹ Specific features of the new structure will be discussed during the vice-foreign ministers' meeting in January 1998 in Moscow.⁷² Nevertheless, Primakov is not necessarily optimistic about the year 2000 deadline. Speaking at the Russian MOFA's press conference on 23 December 1997, Primakov said: "Do you expect us to have a by the hour or a weekly action plan until the year 2000? None of it we have."⁷³

One particular proposal of Primakov regarding the future of the upgraded peace treaty working group still anticipates a final judgement of the Japanese side. Speaking at the press conference held in the Russian Embassy in Tokyo on 13 November 1997, Primakov mentioned his "as yet unanswered" proposal to engage in the activities of the working group not only the foreign ministries' staff but also other ministries, as well as representatives of the concerned regions of both countries.⁷⁴ Primakov's proposal was made in reply to the request of the Japanese side to limit the participation to foreign ministries. Primakov made it clear, in particular, that he wished to have the Sakhalin region's position reflected in the course of the negotiations.⁷⁵

As it applies to the Japanese side, the involvement of the periphery, particularly that of the Sakhalin Region, in bilateral negotiations is filled with unpredictable negative consequences.⁷⁶ The issue of participation in further negotiations is expected to be discussed in Moscow in January 1998.⁷⁷

Even though in June 1997 Yastrzhembsky, President Yeltsin's press secretary, laid a particular stress on the importance of the disputed islands joint development project in terms of the territorial dispute resolution, this issue is not mentioned in the

Krasnoyarsk summit agenda. Nor did it become a matter of discussions between its initiator Primakov and Obuchi in mid-November 1997. While in Tokyo, Primakov stated that the joint development project would no longer be on the foreign ministries' agenda. Primakov specified that this project would be discussed in the course of further work of the Russo-Japanese Intergovernmental Commission on Economic Issues chaired by Boris Nemtsov and Keizo Obuchi.⁷⁸

Conclusions

As for Japan, her current positive interaction with Russia is a phenomenon which is primarily political in nature. In the foreseeable future Russia will probably continue to lead a marginal existence as applied to Japanese business circles. On the eve of 1997 Japan's Ambassador to Russia Takehiro Togo pointed out with a sense of satisfaction that in 1995 bilateral trade turnover "returned to the level of the Soviet times, namely [that of] around 6 billion US dollars."⁷⁹ Soviet-Japanese trade turnover reached its US\$6 billion peak in 1989.⁸⁰ However, even the 1995 turnover of around US\$5.9 billion amounted to less than 1% of Japan's overall trade.⁸¹

Currently bilateral trade is in a state of recession. As compared to 1995, in 1996 it "edged down by 16.2%."⁸² Specifically, in 1996 the total turnover was US\$4.97 billion, while during the first six months' period of 1997 it made up US\$2.27 billion.⁸³ Moreover, over 50% of Japan's imports from Russia, which form around 75% of bilateral trade, is provided by the scarcely populated and crisis-stricken Far Eastern region. Some eight million Russian nationals are sustaining "over a half of the US\$4 billion worth of imports", consisting mainly of fish and shellfish, timber, aluminium and aluminium alloys.⁸⁴

To provide meaningful comparisons, suffice it to mention that in 1996 the trade turnover between Japan and China surpassed as much as US\$65 billion, while that between Japan and the distant UK amounted to US\$20 billion.⁸⁵

As for the first half of 1997, Japan's share in terms of total foreign investments into the Russian economy comprised merely 0.2%⁸⁶. Altogether, as of late 1997 Japan had invested into Russia US\$227 million, which is only 1.7% of all foreign investments.⁸⁷ In 1995 Japan was the 8th largest foreign investor and subsequently slipped to 13th position.⁸⁸

Not even the prospect of doubling bilateral trade turnover, an expectation expressed by Yegor Stroeve, Chairman of Russia's Federation Council, the parliament's Upper House, when he was completing his official visit to Japan in early November 1997, could bring it to the level of more than marginal importance for Japan.⁸⁹

Addressing Japan's Federation of Economic Organisations on 6 June 1997, while on a visit to Japan, Russia's First Vice Prime Minister Boris Nemtsov referred to the level of Russo-Japanese economic relations as being "*impermissibly low*."⁹⁰ As for Russia, Japan is one of her 10 major trading partners. Thus, in 1996 the Russo-US trade turnover amounted to US\$7.9 billion, while that between Russia and Italy was referred to by Yeltsin during the June 1997 G-7 summit in Denver as "*having struck the US\$5.6 billion mark*", Russia's top achievement for Europe.⁹¹

Primakov's Japan policy started with a proposal to postpone the resolution of the Kurils dispute and rather made the expansion of Russo-Japanese economic relations a priority. In the course of his first press interview as Russia's new Foreign Minister on 12 January 1996, Primakov specifically referred to Sino-Japanese relations as an example to follow, praising Japan for her constructive decision to delay the solution of the Sino-Japanese territorial dispute over the Senkaku (Diaoyu) Islands. As early as four days later, on 16 January, Japan's Ambassador in Russia Koji Watanabe addressed Russia's MOFA, strongly protesting against Primakov's appeal and stressing that the bilateral dispute had to be resolved "*by our generation*."⁹²

The failure of Primakov's joint development project to promote his initial cause might have led him to formulating yet another, far more efficient, strategy. If accepted, Primakov's proposal to engage the periphery in bilateral negotiations will serve to facilitate the implementation of Primakov's January 1996 course. The MOFA's skilful 'centre-periphery' diplomacy might convince the Japanese side in the futility of efforts to regain the disputed territory. Incidentally, Primakov's joint development initiative caused a 'centre-periphery' cleavage in Japan when the Hokkaido District Governor expressed his positive approach to Primakov's proposal, despite "*the [Japanese] MOFA instructions*."⁹³

The degree of stability of the negotiating process is directly linked to the evolving split separating Russia's federal 'centre' from the country's enormous 'periphery'. The intrusion of the 'periphery' into foreign affairs is particularly evident in the borderlands, including the Sakhalin Region. Thus, on 9 May 1997, Governor Farkhutdinov expressed his intent to appeal to Japan's Hokkaido District Governor asking him not to allow US Marines to be removed from Okinawa to Hokkaido. Seeing the latter as "*offensive units*" threatening Russian borders, Sakhalin Governor warned that if US troops were moved to Hokkaido he would "*work for the deployment of alternative Russian military formations*" in Sakhalin Region.⁹⁴

Moreover, the intrusion of the 'periphery' stimulates a fluctuating response from the concerned major powers. Thus, on 9 December 1995, the RF MOF strongly protested against what it regarded as a provocative statement made by the US Ambassador in Russia Thomas Pickering on 7 December 1995, in support of Japan's territorial claims to the 'Southern Kurils'. According to the Ministry's high ranking official, Russia even considered "*recalling*" the US Ambassador for his "*inadmissible and outrageous trick*." Russia's Prime Minister Victor Chernomyrdin also denounced the US diplomat's statement.⁹⁵

It is worthwhile noting that the US Ambassador to Russia made this statement during a visit to the Sakhalin Region which started on 5 December.⁹⁶ Such a political step indicates the US State Department's – which later confirmed that the Ambassador's statement reflected the official position of the United States on the issue – positive appraisal of the new role played by regional actors in foreign affairs.

For its part, the Japanese side is just as actively trying to adjust its Russia policy to the post-Cold War environment. On 1 January 1998, it was reported that the Japanese government had decided on a new policy of demanding the formation of the Russo-Japanese border rather than the 'return' of the 'Northern territories'. The border formation implies Japan's regaining sovereignty over the disputed islands.⁹⁷

The year 1998 will definitely provide plenty of opportunities for further vigorous exchanges of ideas: to mention just a few major occasions, in February Japan's FM is to visit Russia, while in April President Yeltsin is expected to arrive in

Japan; in September PM Hashimoto plans to pay an official visit to the Russian Federation, the first such visit of Japan's premier to post-Soviet Russia.⁹⁸ During Hashimoto's visit a 'Moscow Declaration' may be signed.⁹⁹

Notes

- ¹ *Mainichi*, daily newspaper, Tokyo, 1 November 1997.
- ² *Kyodo Tsushin*, Information Agency (KYODO), *Mayaku Tsushin* series, Tokyo, No. 1027, 6 November 1997: 27.
- ³ *Ibid.*
- ⁴ *Yomiuri*, daily newspaper, Tokyo, 2 October 1997.
- ⁵ *Mainichi*, 1 November 1997.
- ⁶ *Ibid.*; Russia was not on the list of the countries to which the USA and Japan dispatched their special envoys for the purpose of explaining new features of the US-Japan military alliance. *Izvestiya*, 25 September 1997.
- ⁷ *Asahi*, daily newspaper, Tokyo, 6 January 1998.
- ⁸ *Kyodo, Mayaku Tsushin*, No. 1021, 9 October 1997: 22-23.
- ⁹ *Ibid.*
- ¹⁰ *Hoppo Yonto*, 1993: 11-12.
- ¹¹ Data provided by Hidetaka Sawa at the International Symposium "Sakhalin Region - Japan: Problems and Prospects for Cooperation", 9-10 October 1997, Yuzhno-Sakhalinsk.
- ¹² *Izvestiya*, daily newspaper, Moscow, 5 October 1997.
- ¹³ *Hokkaido Shinbun*, daily newspaper, Sapporo, 12 December 1997.
- ¹⁴ The project team was headed by Professor Valeriy Zaitsev. Further on the project is referred to as 'Zaitsev's project'. Evgeniy Primakov was the head of IMEMO from 1985 until 1989. *Roshia-no Genkyo*, 1996; Radio-press, Tokyo, 1997: 501.
- ¹⁵ *Sovetskaia Rossiya*, daily newspaper, Moscow, 21 November 1996; *Segodnia*, daily newspaper, Moscow, 19 November 1996.
- ¹⁶ *Izvestiya*, 11 November, 1996.
- ¹⁷ *Tokyo Shinbun* daily newspaper, Tokyo, 12 November 1996.
- ¹⁸ RIA, 14 November 1996, Ulan-Bator; RIA, 13 November 1996, Tokyo.
- ¹⁹ RIA, 15 November 1996, Tokyo; *Mayaku Tsushin*, No. 978, 1996: 26-28.
- ²⁰ *Tokyo Shinbun*, Tokyo, 16 November 1996.
- ²¹ For a full text of the 'Tokyo Declaration' in English see Glaubitz, J. (1995) *Between Tokyo and Moscow*, London, Hurst: 265-268; for a full text in Russian see year-book *Iaponiya 1993* [Japan 1993], Moscow, 1994: 203-205.
- ²² *Mayaku Tsushin*, No. 978, 1996: 26-28; *Segodnia*, 16 November 1996.
- ²³ *Sankei Shinbun*, 16 November 1996; *Mayaku Tsushin*, No. 978, 1996: 26-29.
- ²⁴ *Mayaku Tsushin*, No. 978, 1996: 28.

- ²⁵ *Ibid.*:26-28.
- ²⁶ *Sankei Shinbun*, 15 November 1996; *Ibid.*, 30 November 1996; *Kyodo, Mayaku Tsushin*, No. 914, 19 January 1996: 1-2.
- ²⁷ *Mayaku Tsushin*, No. 978, 1996: 27.
- ²⁸ *Ibid.*:26-29; *Segodnia*, 16 November 1996.
- ²⁹ RIA, 15 November 1996, Tokyo; *Mayaku Tsushin*, No. 978, 1996: 26-29.
- ³⁰ RIA, 13 November 1996, Tokyo; *Krasnaia Zvezda*, daily newspaper, Moscow, 16 November 1996; *Novoe Vremia*, weekly journal, Moscow, No. 1/2, 1997: 35. On similar proposals put forward by Oleg Soskovetz, Russia's former First Deputy Prime Minister, see, for example, *Mainichi*, 30 October 1994; *Nihon Keizai Shinbun*, 12 October 1994; *Asahi*, 13 October 1994.
- ³¹ *Sovetskaia Rossiya*, 21 November 1996.
- ³² For a full text see RIA, 'Granitsa (Frontier)' series, No. 11, November 1996.
- ³³ *Segodnia*, No. 186 (791), 1996.
- ³⁴ *Sankei Shinbun*, 16 November 1996.
- ³⁵ *Asahi*, 14 October 1993; Latyshev, Igor', *Kto i kak prodaet Rossiyu* (Who and How Sells Russia), Moscow, 1994, Paleia Publ.:191-192.
- ³⁶ See Zinberg, Y. (1996) 'The Vladivostok Curve: Subnational Intervention Into Russo-Chinese Border Agreements', *Boundary and Security Bulletin*, 4, 3(Autumn):76-86.
- ³⁷ RIA, 27 November 1996, Khabarovsk.
- ³⁸ *Ibid.*; *Vremia*, regular news programme, Moscow, Channel 1, ORT (Russian Public TV), 9 December 1996.
- ³⁹ On Japan's 'centre' interaction with Russia's Sakhalin Region 'periphery' see Zinberg, Y. (1995) 'Subnational Diplomacy: Japan and Sakhalin', *Journal of Borderlands Studies*, 10, 2 (Fall): 87-109, New Mexico State University; see also Kimura, H. (1996) 'The Russian Decision-Making Process Toward Japan', *Japan Review*, 7: 69-74.
- ⁴⁰ *Mayaku Tsushin*, No. 978, 1996:27.
- ⁴¹ *Ibid.*:27; RIA, 15 November, 1996.
- ⁴² *Mayaku Tsushin*, No. 978, 1996: 29.
- ⁴³ RIA, 10 June 1997, Tokyo.
- ⁴⁴ *Ibid.*
- ⁴⁵ RIA, 20 June 1997, Denver.
- ⁴⁶ *Ibid.*
- ⁴⁷ *Sankei Shinbun*, 12 November 1997.
- ⁴⁸ *Kyodo, Mayaku Tsushin*, Tokyo, No. 1025, 6 November 1997: 26; NHK TV (Japan's national TV), Channel BS1, Prime Time News, *Nichiro Shuno Kaidan-o mae-ni* [Towards the Russo-Japanese summit] series, 30 October 1997.
- ⁴⁹ *Kyodo, Mayaku Tsushin*, Tokyo, No. 1025, 6 November 1997: 26; NHK TV (Japan's national TV), Channel BS1, Prime Time News, *Nichiro Shuno Kaidan-o mae-ni* [Towards the Russo-Japanese summit] series, 30 October 1997.
- ⁵⁰ On Japanese MOFA's preferences see Golovnin, V. (1997) 'El'tsin zhdet iaponskogo drakona' [Yeltsin is

- waiting for the Japanese dragon], *Izvestiya*, 28 October.
- ⁵¹ Kimura H. (1997) 'Hashimoto Naikaku-no Tairo Shindokutorin' [The new Russia doctrine of Hashimoto's administration], *Chian Foramu*, monthly journal, Tokyo, November: 56.
- ⁵² See *Asahi Gekkan*, monthly journal, Tokyo, 3, 1 (1991): 44-49.
- ⁵³ *Segodnia*, 31 October 1997; *Mayaku Tsushin*, No. 1025, 1997: 26.
- ⁵⁴ NHK TV, BS1, Prime Time News, 30 October 1997; *Mainichi*, 30 October 1997; on Japanese MOFA's negative attitude to the symposium see HIT/Russian Far East Daily: <http://www.infosnow.or.jp/hit/FENEWS.htm>; for Zaitsev's interviews with Japanese press see *Sankei Shinbun*, 23 & 29 October, 1997.
- ⁵⁵ *Mayaku Tsushin*, No. 1025, 1997: 25.
- ⁵⁶ *Rossiiskaya Gazeta*, daily newspaper, Moscow, 6 November 1997.
- ⁵⁷ *Mayaku Tsushin*, No. 1025, 1997: 25; *Segodnia*, 3 November 1997; *Izvestiya*, 4 November 1997.
- ⁵⁸ NHK TV, BS1, Prime Time news, 30 October, 1997; *Mayaku Tsushin*, No. 1025, 1997: 26.
- ⁵⁹ *Mayaku Tsushin*, No. 1025, 1997: 26; *Asahi*, 31 October 1997.
- ⁶⁰ Kyodo, *Mayaku Tsushin*, Tokyo, No. 1024, 30 October 1997: 21.
- ⁶¹ Kyodo, *Mayaku Tsushin*, Tokyo, No. 1026, 13 November 1997: 22-23; Kyodo, *Mayaku Tsushin*, Tokyo, No. 1027, 20 November 1997: 19-24.
- ⁶² *Mainichi*, 29 October 1997.
- ⁶³ Kyodo, *Siberia Eko*, Tokyo, No. 343, 18 November 1997: 1-3.
- ⁶⁴ *Izvestiya*, 4 November 1997.
- ⁶⁵ *Siberia Eko*: 1.
- ⁶⁶ *Segodnia*, 3 November 1997; *Mayaku Tsushin*, No. 1025, 1997: 13.
- ⁶⁷ *Siberia Eko*: 1.
- ⁶⁸ *Izvestiya*, 4 November 1997; *Mayaku tsushin*, No. 1025, 1997: 17; *Hopporyodo* [Northern territories] monthly newspaper, edition of the Hopporyodo Mondai Taisaku Kyokai [Northern Territories Issue Policy Association], Tokyo, 20 December 1997: 1.
- ⁶⁹ *Izvestiya*, 4 November 1997; According to Yeltsin, the informal summit per se was arranged on the request of the Japanese side. NHK TV, BS1, Prime Time news, 31 October 1997.
- ⁷⁰ *Segodnia*, 3 November 1997.
- ⁷¹ *Siberia Eko*: 1-2.
- ⁷² *Ibid.*, Hopporyodo: 1.
- ⁷³ *Segodnia*, regular news program, NTV TV (Independent TV) Channel, Moscow, 23 December 1997.
- ⁷⁴ *Siberia Eko*: 2.
- ⁷⁵ *Ibid.*
- ⁷⁶ *Sankei Shinbun*, 14 November, 1997; *Mayaku Tsushin*, No. 1027, 1997: 22.
- ⁷⁷ *Siberia Eko*: 2; *Nezavisimaia Gazeta*, 15 November, 1997.
- ⁷⁸ *Nezavisimaia Gazeta*, 15 November 1997.
- ⁷⁹ *Novoe vremia*, No. 1/2, 1997: 32.
- ⁸⁰ *Nichiro Boeki-no Genjo to Tenbo* [Current Situation and Prospects of Japan-Russia Trade], Monthly Bulletin on Trade with Russia and East Europe, Tokyo, October 1997: 58.
- ⁸¹ *Asahi*, 6 January, 1998.
- ⁸² RIA press digest, Vol. XLIII, No. 108 (11703), Part II, 10 June 1997.
- ⁸³ *Nichiro Boeki*: 57.
- ⁸⁴ *Ibid.*: 62-63; *Dayamondo*, weekly journal, Tokyo, 30 August 1997.
- ⁸⁵ *Nichiro Boeki*: 57-58.
- ⁸⁶ NHK TV, BS1, Prime Time news, 29 October 1997; *Asahi*, 6 January 1998.
- ⁸⁷ *Nihon Keizai Shinbun*, 10 June 1997; *Nezavisimaia Gazeta*, 1 November 1997.
- ⁸⁸ *Asahi*, 6 January 1998.
- ⁸⁹ On StroeV's visit see *Nezavisimaia Gazeta*, 4 November 1997.
- ⁹⁰ RIA, 6 June 1997, Tokyo.
- ⁹¹ RIA press digests: Vol. XLIII, No. 119 (11714), Part II, 26 June 1997 & No. 108 (11703), Part II, 10 June 1997; RIA, 20 June Denver.
- ⁹² Kyodo, *Mayaku Tsushin*, Tokyo, No. 914, 19 January 1996: 1-2.
- ⁹³ Kimura, H. (1997) 'Krasnoyarusuku Kaidan-e-no Kitai to Yobo' [The Meeting in Krasnoyarsk: Expectations and Demands], *Kokusai Kankei Kiso Kenkyujo*, Tokyo: 22-23; on 6 January 1998, Russian MOFA spokesman Tarasov praised the Russo-Japanese agreement on fishing rights which was reached on 30 December 1997, and indicated that it "will help boost cooperation, particularly joint economic activities." RFE/RL Newslines, 1, 190 (Part I), 7 January 1998.
- ⁹⁴ RFE/RL Newslines, 1, 27 (Part I), 9 May 1997.
- ⁹⁵ ORT TV news, 10 December, 1995; *Asahi*, 14 December 1995.
- ⁹⁶ *Sakharin to Nihon* [Sakhalin and Japan] newsletter, Nihon-Sakharin Kyokai [Japan-Sakhalin Association], Tokyo, No. 54, 14 December 1995; on the Sakhalin Region involvement in Russo-Japanese territorial disputes see Zinberg, Y. and Drifte, R. (1993) 'Chaos in Russia and the Territorial Dispute with Japan', *The Pacific Review*, London, 6, 3; Zinberg, Y. (1991) 'Soren Hopporyodo Seisaku to Saharin Sinduromu' [Soviet 'Northern Territories' Policies and the 'Sakhalin Syndrome'], *Soren Kenkyu* [Soviet Studies], Tokyo, April.
- ⁹⁷ *Asahi*, 1 January 1998.
- ⁹⁸ *Ibid.*
- ⁹⁹ See Ambassador Panov's interview in *Asahi*, 26 October 1997.

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